



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION II  
26 FEDERAL PLAZA  
NEW YORK, NEW YORK 10278

27 MAY 1987

CERTIFIED MAIL--  
RETURN RECEIPT REQUESTED

Arkansas Company  
c/o Mark von Sternberg, President  
155 E. 72nd Street  
New York, NY 10021

Re: Arkansas Company, Foundry Street, Newark, New Jersey

Dear Sir:

The U.S. Environmental Protection Agency ("EPA") has documented the release and threatened release of hazardous substances, pollutants and contaminants at the above-referenced facility ("the facility" or "the site"). EPA is authorized to respond to this type of release under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"), 42 U.S.C. § 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), Pub. L. No. 99-499.

This letter constitutes official notification that EPA may conduct, or require responsible parties to conduct, a removal action, as defined in the National Contingency Plan, 40 C.F.R. Part 300, at the Arkansas Company facility. EPA has determined that such a removal action is necessary to prevent an immediate and significant risk of harm to human health and the environment, as defined at 40 C.F.R. § 300.65(b).

EPA believes that as an owner or operator of the Arkansas Company facility, or as a generator of hazardous substances sent to the facility for treatment or disposal, or as a transporter of hazardous substances to the facility, your company may be a responsible party under Section 107(a) of CERCLA, 42 U.S.C. §9607(a). Under CERCLA and other laws, parties responsible for the release or threatened release of hazardous substances into the environment from an uncontrolled hazardous waste site may be liable for all monies expended by the federal government to take necessary response actions at such facilities, including investigation, planning, removal, and remedial actions at these facilities. These parties may also be held liable for any enforcement costs incurred by the government.

433571



EPA possesses information which indicates that your company may be a responsible party within the meaning of CERCLA. Before the government initiates appropriate action regarding the site, we seek to know if your company will voluntarily perform the work required to abate any releases or threatened releases of hazardous substances, pollutants and contaminants at and from the site.

For your information, the removal action required at the site may include, but may not be limited to, the sampling and analysis and the removal of all drummed wastes and other wastes in containers present at the Arkansas Company facility; and it may also include the proper disposal of those wastes. Proper disposal of the wastes present at the Arkansas Company facility may include their removal to a secure landfill, incineration, or other appropriate disposal methods. The removal action may also include securing the property to prevent access by unauthorized persons.

EPA estimates that the removal action, as it has been summarized in this letter, may cost approximately \$2,000,000.00 (TWO MILLION DOLLARS).

In addition to the removal action outlined in this letter, EPA will also determine, at a subsequent time, whether additional corrective measures are required to mitigate the releases from the Arkansas Company site and to protect the public health, welfare, and the environment.

If these and other response actions are taken by EPA rather than by the responsible parties, your company may be subject to a legal action pursuant to Section 107 of CERCLA, 42 U.S.C. §9607, to recover funds spent by EPA in response to the release of hazardous substances at this site.

The following parties have been identified by EPA to date as potentially responsible parties for the contamination at the Arkansas Company site:

1. Mark von Sternberg
2. Dorothy von Sternberg
3. Arkansas Company
4. Galaxy, Inc.

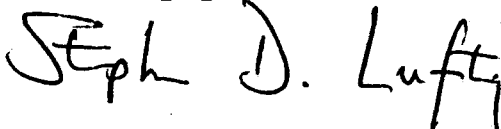
Each of the parties listed above will receive a copy of this letter. EPA is continuing its investigation to identify other potentially responsible parties. You will be notified when and if any other potentially responsible parties have been identified.

EPA requests your cooperation in this matter and asks that you discuss the removal action with other named parties. If you would prefer to undertake or finance the removal action at this site, or participate with other responsible parties in undertaking or financing the removal action at this site, you should promptly contact the EPA project officer, Janet Feldstein, of the Site Compliance Branch, at (212) 264-2646, or William Tucker, of the Office of Regional Counsel, at (212) 264-4710. You should also reply in writing to this letter (a reply by certified mail is recommended) within fourteen (14) calendar days of your receipt of this letter. Your letter should be sent to:

U.S. Environmental Protection Agency  
Site Compliance Branch  
26 Federal Plaza, Room 737  
New York, New York 10278  
Attn: Janet Feldstein

If EPA does not receive a written response from you within the time specified above, EPA will assume that your company declines to voluntarily undertake the removal action and EPA will pursue its options accordingly. EPA's options include issuance of an administrative order to your company pursuant to Section 106 of CERCLA to compel it to undertake the required activities, and EPA conduct of a removal action, for which costs your company may be liable pursuant to Section 107 of CERCLA. If you wish to discuss the matter in any further detail, please contact either Ms. Feldstein or Mr. Tucker. Please note that all communications from your attorney must be directed to Mr. Tucker. We hope that you will give this matter your immediate attention.

Sincerely yours,



Stephen D. Luftig, Acting Director  
Emergency and Remedial Response Division

cc: Ronald T. Corcory, Assistant Director  
Division of Hazardous Waste Management, NJDEP

Gerard Burke, Director  
Office of Regulatory Services, NJDEP